



FEDERAL ACTIONS



Federal Trade Commission

MEAT MARKETER NOT A PACKER WITH OWNERSHIP OF FEW SHARES:

The Federal Trade Commission ruled on February 20 that a marketer of meat, food, and dairy products charged with violation of laws administered by the Commission does not itself become a meat packer immune from the Commission's jurisdiction merely by acquiring an "infinitesimal" interest in a recognized packer.

The Commission reversed its Hearing Examiner's initial decision which would have dismissed, for lack of jurisdiction, the amended complaint of May 7, 1957, charging a large chain store of Washington, D. C., with inducing discriminatory advertising allowances from its suppliers.

The examiner had held that the Chain's purchase of 100 shares of a packer's common stock after issuance of the complaint made it a packer within the meaning of the Packers and Stockyards Act of 1921 and, therefore, subject to the exclusive jurisdiction of the Secretary of Agriculture. He relied on a clause of the Act which provides that a marketer of these products is a packer if it "owns or controls, directly or indirectly, through stock ownership or control or otherwise . . . any interest" in a packer as defined elsewhere in the statute.

"It thus is clear," the Commission ruled, "that jurisdiction to proceed against practices violative of the national policy expressed in the antitrust laws which may be used by persons subject to the Act for carrying on businesses and commercial pursuits in fields outside or additional to the packing and stockyards industry remains in the

Commission. In the instant proceeding, the practices to which the charges of the amended and supplemental complaint pertain are not limited to activities engaged in for carrying on that portion of the business concerned with respondent's over-the-counter sale of meats and dairy and poultry products. They instead relate primarily to practices used for effectuating distribution of the company's products in general. Hence, the Commission has jurisdiction to act in this proceeding."

Note: Also see Commercial Fisheries Review, June 1958, p. 81.

* * * * *

SEATTLE SEAFOOD BROKER ORDERED TO STOP ILLEGAL BROKERAGE PAYMENTS:

The Federal Trade Commission on March 9, 1959, ordered (7151 Seafood) a Seattle, Wash., primary broker of seafood products to stop illegally passing on its brokerage earnings to customers.

Adopting its Hearing Examiner's initial decision of December 8, 1958, the Commission held that the firm has violated Sec. 2(c) of the Robinson-Patman Amendment to the Clayton Act by granting price concessions, rebates, and allowances in lieu of brokerage.

The Commission's complaint against the firm, which is a partnership, was issued May 20, 1958.

A typical transaction cited by the examiner shows that the partners invoiced 200 cartons of salmon to a chain store at \$20.50 a carton. However, they accounted for this sale to their packer principal at \$21.00, illegally absorbing the 50¢ per case difference out of their brokerage.

Department of Health, Education, and Welfare

FOOD AND DRUG ADMINISTRATION

FOOD ADDITIVES REGULATIONS EFFECTIVE:

Regulations on food additives were published by the Food and Drug Administration on March 28, 1959, in the Federal Register. They became effective upon publication. The proposed regulations were published first in the Federal Register of December 9, 1958, and prior to publication of the final regulations consideration was given to the comments received from the public and the food industries.

The regulations cover the following fields: definitions and interpretations; pesticide chemicals in processed foods; substances added to food which are not

generally recognized as safe and substances that are generally recognized as safe; tolerances for related food additives; safety factors to be considered; general principles for evaluating the safety of food additives; food additives for which new-drug applications are required; food additives proposed for use in foods for which definitions and standards of identity have been prescribed; food additives for which certification is required; petitions proposing regulations for food additives; withdrawal of petitions without prejudice; substantive amendments to petitions; objections to regulations and requests for hearings; and details on the conduct of hearings, submission of testimony, etc.; procedure for amending and repealing tolerances or exemptions from tolerances; and exemption for investigational use. The regulations as they appear in the Federal Register of March 28, 1959 follow:

Title 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 121—FOOD ADDITIVES

Subpart A—Definitions and Procedural and Interpretative Regulations

By virtue of the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (secs. 409, 701, 72 Stat. 1785, 52 Stat. 1055, as amended 72 Stat. 948; 21 U.S.C. 348, 371), and delegated to the Commissioner of Food and Drugs by the Secretary (23 F.R. 9500), and after having considered all comments on the proposed order published in the FEDERAL REGISTER of December 9, 1958 (23 F.R. 9511), the following regulations are promulgated:

- Sec.
- 121.1 Definitions and interpretations.
- 121.2 Pesticide chemicals in processed foods.
- 121.3 Substances added to food which are not generally recognized as safe and substances that are generally recognized as safe.
- 121.4 Tolerances for related food additives.
- 121.5 Safety factors to be considered.
- 121.6 General principles for evaluating the safety of food additives.
- 121.7 Food additives for which new-drug applications are required.
- 121.8 Food additives proposed for use in foods for which definitions and standards of identity have been prescribed.
- 121.9 Food additives for which certification is required.
- 121.51 Petitions proposing regulations for food additives.
- 121.52 Withdrawal of petitions without prejudice.

- 121.53 Substantive amendments to petitions.
- 121.54 Effective date.
- 121.55 Objections to regulations and requests for hearings.
- 121.56 Public hearing; notice.
- 121.57 Presiding officer.
- 121.58 Parties; burden of proof; appearances.
- 121.59 Request for stay of effectiveness of regulation pending a hearing.
- 121.60 Prehearing and other conferences.
- 121.61 Submission of documents in advance of hearing.
- 121.62 Excerpts from documents.
- 121.63 Submission and receipt of evidence.
- 121.64 Transcript of the testimony.
- 121.65 Oral and written arguments.
- 121.66 Indexing of record.
- 121.67 Certification of record.
- 121.68 Filing the record of the hearing.
- 121.69 Copies of the record of the hearing.
- 121.70 Proposed order after public hearing.
- 121.71 Final order after public hearing.
- 121.72 Adoption of regulation on initiative of Commissioner.
- 121.73 Judicial review.
- 121.74 Procedure for amending and repealing tolerances or exemptions from tolerances.
- 121.75 Exemption for investigational use.

AUTHORITY: §§ 121.1-121.75 issued under secs. 409, 701, 52 Stat. 1055, as amended, 72 Stat. 948; 72 Stat. 1784; 21 U.S.C. 348, 371. Interpret or apply secs. 201, 402, 72 Stat. 1784; 21 U.S.C. 321, 342.

§ 121.1 Definitions and interpretations.

(a) "Secretary" means the Secretary of Health, Education, and Welfare.

(b) "Department" means the Department of Health, Education, and Welfare.

(c) "Commissioner" means the Commissioner of Food and Drugs.

(d) As used in this part, the term "act" means the Federal Food, Drug, and Cosmetic Act approved June 25, 1938 (52 Stat. 1040 et seq., as amended; 21 U.S.C. 301-392).

(e) "Food additives" includes all substances not exempted by section 201(s) of the act, the intended use of which re-

sults or may reasonably be expected to result, directly or indirectly, either in their becoming a component of food or otherwise affecting the characteristics of food. A material used in the production of containers and packages is subject to the definition if it may reasonably be expected to become a component, or to affect the characteristics, directly or indirectly, of food packed in the container. "Affecting the characteristics of food" does not include such physical effects, as protecting contents of packages, preserving shape, and preventing moisture loss. If there is no migration of a packaging component from the package to the food, it does not become a component of the food and thus is not a food additive. A substance that does not become a component of food, but that is used, for example, in preparing an ingredient of the food to give a different flavor, texture, or other characteristic in the food, may be a food additive.

(f) "Common use in food" refers to consumption of a substance by consumers, regardless of the number of manufacturers who may produce it.

(g) The word "substance" in the definition of the term "food additive" includes a food or food component consisting of one or more ingredients.

(h) "Scientific procedures" include not only original animal, analytical, and other scientific studies, but also an unprejudiced compilation of reliable information, both favorable and unfavorable, drawn from the scientific literature.

(i) "Safe" means that there is convincing evidence which establishes with reasonable certainty that no harm will result from the intended use of the food additive.

§ 121.2 Pesticide chemicals in processed foods.

When pesticide chemical residues occur in processed foods due to the use of raw agricultural commodities that bore

or contained a pesticide chemical in conformity with an exemption granted or a tolerance prescribed under section 408 of the act, the processed food will not be regarded as adulterated so long as good manufacturing practice has been followed in removing any residue from the raw agricultural commodity in the processing (such as by peeling or washing) and so long as the concentration of the residue in the processed food when ready to eat is not greater than the tolerance prescribed for the raw agricultural commodity. But when the concentration of residue in the processed food when ready to eat is higher than the tolerance prescribed for the raw agricultural commodity, the processed food is adulterated unless the higher concentration is permitted by a tolerance obtained under section 409 of the act. For example, if fruit bearing a residue of 7 parts per million of DDT permitted on the raw agricultural commodity is dried and a residue in excess of 7 parts per million of DDT results on the dried fruit, the dehydrated fruit is adulterated unless the higher tolerance for DDT is authorized by the regulations in this part. Food that is itself ready to eat, and which contains a higher residue than allowed for the raw agricultural commodity, may not be legalized by blending or mixing with other foods to reduce the residue in the mixed food below the tolerance prescribed for the raw agricultural commodity.

§ 121.3 Substances added to food which are not generally recognized as safe and substances that are generally recognized as safe.

(a) In general, any substance added to food which has no history of common use as a food ingredient should be regarded as a substance that is not generally recognized as safe for its intended food use, for the purpose of sections 201(s) and 402(a) (2) (C) of the act, unless it has been scientifically tested and shown to be safe.

(b) Section 121.101 contains a partial list of substances that are generally recognized among experts qualified by scientific training and experience to evaluate the safety of such substances as ingredients in food as safe for such use under the conditions set forth in that section. No substance will be removed from this list, nor will the permitted conditions of use be modified, without prior notice and a statement of the reasons for the action.

(c) Substances other than those listed in § 121.101 for which prior sanction or approval under the Federal Food, Drug, and Cosmetic Act has been given, are not listed. Upon written request, setting forth the specific product and a specific usage, the Commissioner will advise interested persons whether such use of such product has been sanctioned or approved. Food additives sanctioned for use in foods for which standards of identity have been prescribed are listed in the standards. Except in the case of an imminent hazard to public health, no prior sanction or approval will be withdrawn or modified without prior notice and a statement of the reasons for the action. Such notice and statement will be sent to the person to whom the sanction or approval was granted and to any other person who has been advised concerning such sanction or approval, if practicable. Otherwise, the notice and statement will be published in the FEDERAL REGISTER.

(d) The Commissioner, upon written request, specifying the intended conditions of use and other pertinent information about a substance, will advise an interested person whether in his opinion the substance is a food additive.

(e) The training and experience necessary to qualify experts to evaluate the safety of food additives, for the purposes of section 201(s) of the act, are sufficient training and experience in biology, medicine, pharmacology, physiology, toxicology, veterinary medicine, or other appropriate science to recognize and evaluate the behavior and effects of chemical substances in the diet of man and of animals.

§ 121.4 Tolerances for related food additives.

(a) Food additives that cause similar or related pharmacological effects will be regarded as a class, and in the absence of evidence to the contrary, as having additive toxic effects and will be considered as related food additives.

(b) Tolerances established for such related food additives may limit the amount of a common component that may be present, or may limit the amount of biological activity (such as cholinesterase inhibition) that may be present, or may limit the total amount of related food additives that may be present.

(c) Where food additives from two or more chemicals in the same class are present in or on a food, the tolerance for the total of such additives shall be the same as that for the additive having the lowest numerical tolerance in this class, unless there are available methods that permit quantitative determination of the amount of each food additive present or unless it is shown that a higher tolerance is reasonably required for the combined additives to accomplish the physical or technical effect for which such combined additives are intended and that the higher tolerance will be safe.

(d) Where residues from two or more additives in the same class are present in or on a food and there are available methods that permit quantitative determination of each residue, the quantity of combined residues that are within the tolerance may be determined as follows:

- (1) Determine the quantity of each residue present.
- (2) Divide the quantity of each residue by the tolerance that would apply if it occurred alone, and multiply by 100 to determine the percentage of the permitted amount of residue present.
- (3) Add the percentages so obtained for all residues present.
- (4) The sum of the percentages shall not exceed 100 percent.

§ 121.5 Safety factors to be considered.

In accordance with section 409(c) (5) (C) of the act, the following safety factors will be applied in determining whether the proposed use of a food additive will be safe: Except where evidence is submitted which justifies use of a different safety factor, a safety factor in applying animal experimentation data to man of 100 to 1, will be used; that is, a food additive for use by man will not be granted a tolerance that will exceed 1/100th of the maximum amount demonstrated to be without harm to experimental animals.

§ 121.6 General principles for evaluating the safety of food additives.

(a) In reaching a decision on any petition filed under section 409 of the act, the Commissioner will give full consideration to the specific biological properties of the compound and the adequacy of the methods employed to demonstrate safety for the proposed use, and the Commissioner will be guided by the principles and procedures for establishing the safety of food additives stated in current publications of the National Academy of Sciences-National Research Council. A petition will not be denied, however, by reason of the petitioner's having followed procedures other than those outlined in the publications of the National Academy of Sciences-National Research Council if, from available evidence, the Commissioner finds that the procedures used give results as reliable as, or more reliable than, those reasonably to be expected from the use of the outlined procedures. In reaching a decision, the Commissioner will give due weight to the anticipated levels and patterns of consumption of the additive specified or reasonably inferable. For the purposes of this section, the principles for evaluating safety of additives set forth in the above-mentioned publications will apply to any substance that may properly be classified as a food additive as defined in section 201(s) of the act.

(b) Upon written request describing the proposed use of an additive and the proposed experiments to determine its safety, the Commissioner will advise a person who wishes to establish the safety of a food additive whether he believes the experiments planned will yield data adequate for an evaluation of the safety of the additive.

§ 121.7 Food additives or pesticide chemicals for which new-drug applications are required.

(a) A substance that is a new drug within the meaning of section 201(p) of the act may also be a food additive within the meaning of section 201(s) by reason of the fact that its intended use results or may reasonably be expected to result, directly or indirectly, in its or its ingredients' conversion products becoming a component or otherwise affecting the characteristics of a food. When an application for a new drug that is intended for administration to a food-producing animal is submitted, it will also be evaluated under section 408 or 409 of the act (giving due consideration to data previously filed by the applicant) when there is a reasonable possibility that a residue of the drug may be present or otherwise affect the characteristics of the edible products of such animals, and a regulation issued where necessary. Where a substance is both a new drug and a food additive, the submission of a new-drug application in accordance with the regulations appearing in Part 130 of this chapter will also be construed as a petition for the establishment of a regulation for the use of the substance as a food additive. A new-drug application will not be permitted to become effective for a use that results in the substance becoming a food additive until a regulation is established under section 408 or 409 of the act. A food-additive regulation under section 409 of the act will not be established when the additive results from the use of a new drug for which

a new-drug application cannot be made effective. The new-drug application and the establishment of a regulation respecting the food additive or pesticide chemical use will be acted upon simultaneously.

(b) With respect to those uses of a new drug that result in its becoming a food additive, the provisions of these regulations shall apply concerning the procedure to be followed in establishing a food-additive regulation. Upon determination that a new-drug application contains a petition for the establishment of a food-additive regulation, the New Drug Branch of the Food and Drug Administration shall so notify the applicant prior to the effective date of the application, and shall inform him that his application with respect to the uses of the new drug which result in its becoming a food additive will be processed under the regulations in this part. Upon the issuance of the food-additive regulation, the New Drug Branch will notify the applicant that his application is effective to the extent allowed by the regulation. In the event the proceeding for the food-additive regulation results in the denial of a regulation allowing the use of the new drug as a food additive, the applicant shall be notified that the refusal to permit his new-drug application to become effective is final with respect to the use of the new drug for uses resulting in its becoming a food additive.

§ 121.8 Food additives proposed for use in foods for which definitions and standards of identity have been prescribed.

(a) Where a petition is received for the issuance or amendment of a regulation establishing a definition and standard of identity for a food under section 401 of the act, which proposes the inclusion of a food additive in such definition and standard of identity, the provisions of the regulations in this part shall apply with respect to the information that must be submitted with respect to the food additive. Since section 409(b)(5) of the act requires that the Secretary publish notice of a petition for the establishment of a food-additive regulation within 30 days after filing, notice of a petition relating to a definition and standard of identity shall also be published within that time limitation if it includes a request, so designated, for the establishment of a regulation pertaining to a food additive.

(b) If a petition for a definition and standard of identity contains a proposal for a food-additive regulation, and the petitioner fails to designate it as such, the Commissioner, upon determining that the petition includes a proposal for a food-additive regulation, shall so notify the petitioner and shall thereafter proceed in accordance with the regulations in this part.

(c) A regulation will not be issued allowing the use of a food additive in a food for which a definition and standard of identity is established, unless its issuance also complies with section 401 of the act.

§ 121.9 Food additives for which certification is required.

(a) An antibiotic drug that is subject to the certification requirements of sections 502(1) and 507 of the act may also be a food additive within the meaning of

section 201(s), by reason of the fact that its intended use results or may reasonably be expected to result, directly or indirectly, in it, its ingredients, or conversion products becoming components of or otherwise affecting the characteristics of a food. Any such drug that is intended for administration to a food-producing animal will also be evaluated under section 408 or section 409 (giving due consideration to data previously filed by the applicant), when there is a reasonable possibility that a residue of the drug may be present or otherwise affect the characteristics of the edible products of such animals and a regulation issued where necessary. Where a substance is both a certifiable drug and a food additive, the submission of the information required by the regulations appearing in Parts 146, 146a, 146b, 146c, 146d, and 146e of this chapter will also be construed as a petition for the establishment of a regulation for the use of the substance as a food additive. An antibiotic application will not be permitted to become effective for a use that results in the substance becoming a food additive until a regulation is established under section 408 or section 409 of the act. The antibiotic application and the establishment of a regulation respecting the food additive use will be acted upon simultaneously.

(b) With respect to those uses of an antibiotic drug that result in its becoming a food additive, the provisions of the regulations in this part shall apply concerning the procedure to be followed in establishing a food-additive regulation. Upon determination that an antibiotic application contains a petition for the establishment of a food-additive regulation, the Division of Antibiotics of the Food and Drug Administration shall so notify the applicant prior to the effective date of the application and shall inform him that his application with respect to the uses of the antibiotic which result in its becoming a food additive will be processed under the regulations in this part. Upon the issuance of a food-additive regulation, the Division of Antibiotics will notify the applicant that his application is effective to the extent allowed by the regulation. In the event the proceeding for the food-additive regulation results in the denial of a regulation allowing the use of the antibiotic drug as a food additive, the applicant shall be notified that the denial of his antibiotic application is final with respect to the use of such drug for use resulting in its becoming a food additive.

§ 121.51 Petitions proposing regulations for food additives.

(a) Petitions to be filed with the Commissioner under the provisions of section 409(b) of the act shall be submitted in triplicate. If any part of the material submitted is in a foreign language, it shall be accompanied by an accurate and complete English translation. The petitioner shall state petitioner's post-office address to which published notices or orders issued or objections filed pursuant to section 409 of the act may be sent.

(b) Pertinent information may be incorporated in, and will be considered as part of, a petition on the basis of specific reference to such information submitted to and retained in the files of the

Food and Drug Administration. However, any reference to unpublished information furnished by a person other than the applicant will not be considered unless use of such information is authorized in a written statement signed by the person who submitted it. Any reference to published information offered in support of a food-additive petition should be accompanied by reprints or photostatic copies of such references.

(c) Petitions shall include the following data and be submitted in the following form:

(Date)

Name of petitioner _____
 Post-office address _____
 Date _____
 Name of food additive and proposed use _____

FOOD AND DRUG ADMINISTRATION,
 DEPARTMENT OF HEALTH, EDUCATION, AND
 WELFARE,
 Washington 25, D.C.

DEAR SIR:

The undersigned, _____ submits this petition pursuant to section 409(b)(1) of the Federal Food, Drug, and Cosmetic Act with respect to _____

(Name of the food additive and proposed use)

Attached hereto, in triplicate, and constituting a part of this petition, are the following:

A. The name and all pertinent information concerning the food additive, including chemical identity and composition of the food additive, its physical, chemical, and biological properties, and specifications prescribing the minimum content of the desired component(s) and identifying and limiting the reaction byproducts and other impurities. Where such information is not available, a statement as to the reasons why it is not should be submitted.

When the chemical identity and composition of the food additive is not known, the petition shall contain information in sufficient detail to permit evaluation regarding the method of manufacture and the analytical controls used during the various stages of manufacturing, processing, or packing of the food additive which are relied upon to establish that it is a substance of reproducible composition. Alternative methods and controls and variations in methods and controls within reasonable limits that do not affect the characteristics of the substance or the reliability of the controls may be specified.

If the food additive is a mixture of chemicals, the petition shall supply a list of all substances used in the synthesis, extraction, or other method of preparation, regardless of whether they undergo chemical change in the process. Each substance should be identified by its common English name and complete chemical name, using structural formulas when necessary for specific identification. If any proprietary preparation is used as a component, the proprietary name should be followed by a complete quantitative statement of composition. Reasonable alternatives for any listed substance may be specified.

If the petitioner does not himself perform all the manufacturing, processing, and packing operations for a food additive, the petition shall identify each person who will perform a part of such operations and designate the part.

The petition shall include stability data, and, if the data indicate that it is needed to insure the identity, strength, quality, or purity of the additive, the expiration date that will be employed.

B. The amount of the food additive proposed for use and the purposes for which it is proposed, together with all directions, recommendations, and suggestions regarding the proposed use, as well as specimens of the

labeling proposed for the food additive and any labeling that will be required by applicable provisions of the Federal Food, Drug, and Cosmetic Act on the finished food by reason of the use of the food additive. If the additive results or may reasonably be expected to result from the use of packaging material, the petitioner shall show how this may occur and what residues may reasonably be anticipated.

(Typewritten or other draft-labeling copy will be accepted for consideration of the petition, provided a statement is made that final printed labeling identical in content to the draft copy will be submitted as soon as available and prior to the marketing of the food additive.)

If the food additive is one for which a tolerance limitation is required to assure its safety, the level of use proposed should be no higher than the amount reasonably required to accomplish the intended physical or other technical effect, even though the safety data may support a higher tolerance.)

C. Data establishing that the food additive will have the intended physical or other technical effect or that it may reasonably be expected to become a component, or to affect the characteristics, directly or indirectly, of food and the amount necessary to accomplish this. These data should include information in sufficient detail to permit evaluation with control data.

D. A description of practicable methods to determine the amount of the food additive in the raw, processed, and/or finished food and of any substance formed in or on such food because of its use. The test proposed shall be one that can be used for food-control purposes and that can be applied with consistent results by any properly equipped and trained laboratory personnel.

E. Full reports of investigations made with respect to the safety of the food additive.

(A petition may be regarded as incomplete unless it includes full reports of adequate tests reasonably applicable to show whether or not the food additive will be safe for its intended use. The reports ordinarily should include detailed data derived from appropriate animal and other biological experiments in which the methods used and the results obtained are clearly set forth. The petition shall not omit without explanation any reports of investigations that would bias an evaluation of the safety of the food additive.)

F. Proposed tolerances for the food additive, if tolerances are required in order to insure its safety. A petitioner may include a proposed regulation.

G. If submitting petition to modify an existing regulation issued pursuant to section 409(c)(1)(A) of the act, full information on each proposed change that is to be made in the original regulation must be submitted. The petition may omit statements made in the original petition concerning which no change is proposed. A supplemental petition must be submitted for any change beyond the variations provided for in the original petition and the regulation issued on the basis of the original petition.

Yours very truly,

Petitioner _____

By _____

(Indicate authority)

(d) The petitioner will be notified of the date on which his petition is filed; and an incomplete petition, or one that has not been submitted in triplicate, will usually be retained but not filed as a petition under section 409 of the act. The petitioner will be notified in what respects his petition is incomplete.

(e) The petition must be signed by the petitioner or by his attorney or agent, or (if a corporation) by an authorized official.

(f) The data specified under the several lettered headings should be submitted on separate sheets or sets of sheets, suitably identified. If such data

have already been submitted with an earlier application, the present petition may incorporate it by specific reference to the earlier. If part of the data have been submitted by the manufacturer of the food additive as a master file, the petitioner may refer to the master file if and to the extent he obtains the manufacturer's written permission to do so. The manufacturer may authorize specific reference to the data without disclosure to the petitioner. Nothing herein shall prevent reference to published data.

(g) A petition shall be retained but shall not be filed if any of the data prescribed by section 409(b) of the act are lacking or are not set forth so as to be readily understood.

(h) Data in a petition regarding any method or process entitled to protection as a trade secret will be held confidential and not revealed unless it is necessary to do so in the record of an administrative hearing preliminary to judicial proceedings under section 409 of the act. Other data in the petition will not be revealed to persons other than the petitioner and persons engaged in the enforcement of the act beyond that which is necessary to comply with section 409(b)(5) (notice of the regulation proposed) and 409(c)(1) (order acting on the petition).

(i) (1) Except where the petition involves a new drug, within 15 days after receipt, the Commissioner will notify the petitioner of acceptance or nonacceptance of a petition, and if not accepted the reasons therefor. If accepted, the date of the notification letter sent to petitioner becomes the date of filing for the purposes of section 409(b)(5) of the act. If the petitioner desires, he may supplement a deficient petition after being notified regarding deficiencies. If the supplementary material or explanation of the petition is deemed acceptable, petitioner shall be notified. The date of such notification becomes the date of filing. If the petitioner does not wish to supplement or explain the petition and requests in writing that it be filed as submitted, the petition shall be filed and the petitioner so notified. The date of such notification becomes the date of filing. Where the petition involves a new drug, notification to the petitioner will be made within 30 days.

(2) The Commissioner will publish in the FEDERAL REGISTER within 30 days from the date of filing of such petition, a notice of the filing, the name of the petitioner, and a brief description of the proposal in general terms. In the case of a food additive which becomes a component of food by migration from packaging material, the notice shall include the name of the migratory substance, and where it is different from that of one of the original components, the name of the parent component, the maximum quantity of the migratory substance that is proposed for use in food, and the physical or other technical effect which the migratory substance or its parent component is intended to have in the packaging material. A copy of the notice will be mailed to the petitioner when the original is forwarded to the FEDERAL REGISTER for publication.

(j) The Commissioner may request a full description of the methods used in, and the facilities and controls used for, the production of the food additive, or a sample of the food additive, articles used as components thereof, or of the

food in which the additive is proposed to be used, at any time while a petition is under consideration. The Commissioner shall specify in the request for a sample of the food additive, or articles used as components thereof, or of the food in or on which the additive is proposed to be used, a quantity deemed adequate to permit tests of analytical methods to determine quantities of the food additive present in foods for which it is intended to be used or adequate for any study or investigation reasonably required with respect to the safety of the food additive or the physical or technical effect it produces. The data used for computing the 90-day limit for the purposes of section 409(c)(2) of the act shall be moved forward 1 day for each day after the mailing date of the request taken by the petitioner to submit the sample. If the information or sample is requested a reasonable time in advance of the 180 days, but is not submitted within such 180 days after filing of the petition, the petition will be considered withdrawn without prejudice.

(k) The Commissioner will forward for publication in the FEDERAL REGISTER, within 90 days after filing of the petition (or within 180 days if the time is extended as provided for in section 409(c)(2) of the act), a regulation prescribing the conditions under which the food additive may be safely used (including, but not limited to, specifications as to the particular food or classes of food in or on which such additive may be used, the maximum quantity that may be used or permitted to remain in or on such food, the manner in which such additive may be added to or used in or on such food, and any directions or other labeling or packaging requirements for such additive deemed necessary by him to assure the safety of such use), and prior to the forwarding of the order to the FEDERAL REGISTER for publication shall notify the petitioner of such order and the reasons for such action; or by order deny the petition, and shall notify the petitioner of such order and of the reasons for such action.

(l) If the Commissioner determines that additional time is needed to study and investigate the petition, he shall by written notice to the petitioner extend the 90-day period for not more than 180 days after the filing of the petition.

§ 121.52 Withdrawal of petitions without prejudice.

(a) In some cases the Commissioner will notify the petitioner that the petition, while technically complete, is inadequate to justify the establishment of a regulation or the regulation requested by petitioner. This may be due to the fact that the data are not sufficiently clear or complete. In such cases, the petitioner may withdraw the petition pending its clarification or the obtaining of additional data. This withdrawal will be without prejudice to a future filing. Upon refiling, the time limitation will begin to run anew from the date of refiling.

(b) At any time before the order provided for in § 121.51(k) has been forwarded to the FEDERAL REGISTER for publication, the petitioner may withdraw the petition without prejudice to a future filing. Upon refiling, the time limitation will begin to run anew.

§ 121.53 Substantive amendments to petitions.

After a petition has been filed, the petitioner may submit additional information or data in support thereof. In such cases, if the Commissioner determines that the additional information or data amounts to a substantive amendment, the petition as amended will be given a new filing date, and the time limitation will begin to run anew.

§ 121.54 Effective date.

A regulation published in accordance with § 121.51(k) shall become effective upon publication in the FEDERAL REGISTER.

§ 121.55 Objections to regulations and requests for hearings.

(a) Objections to an order promulgated pursuant to section 409(f) (1) of the act shall be submitted in quintuplicate to the Hearing Clerk of the Department at the address specified in such order. Each objection to a provision of the regulation shall be separately numbered.

(b) A statement of objections shall not be accepted for filing if:

(1) It is received for filing more than 30 days after the date of publication of the order in the FEDERAL REGISTER.

(2) It fails to establish that the objector will be adversely affected by the regulation.

(3) It does not specify with particularity the provisions of the regulation to which objection is taken.

(4) It does not state reasonable grounds for each objection raised. Grounds that it is reasonable to conclude are capable of being established by reliable evidence at the hearing, and which if proved would call for changing the provisions specified in the objections, will be deemed reasonable grounds.

(c) If the statement of objections may must be filed, the Commissioner shall inform the objector of the reasons.

(d) If objections to a regulation issued pursuant to the filing of a petition are filed by a person other than the petitioner, the Food and Drug Administration shall send a copy of the objections by certified mail to the petitioner at the address given in the petition. Petitioner shall have 2 weeks from the date of receipt by him of the objections to make written reply.

§ 121.56 Public hearing; notice.

If the objections and statements filed by any person, when they are considered with the record in the proceeding (including any reply to the objections that the petitioner may have filed), show that the person filing the objections is adversely affected and that the grounds stated in support of the objections are reasonable, and a public hearing on the objections is requested, the Commissioner shall cause to be published in the FEDERAL REGISTER a notice reciting the objections and announcing a public hearing to receive evidence on them. The notice shall designate the place where the hearing will be held, specify the time within which appearances must be filed, and specify the time (not earlier than 30 days after the date of publication of the notice in the FEDERAL REGISTER) when the hearing will commence. The hearing will convene at the place and time announced in the notice, but

thereafter it may be moved to a different place and may be continued from day to day or recessed to a later day without other notice than announcement thereof by the presiding officer at the hearing. Included in such notice shall be a statement indicating whether the regulation to which objection was taken shall be stayed pending the outcome of the hearing.

§ 121.57 Presiding officer.

The hearing shall be conducted by a presiding officer, who shall be a hearing examiner appointed as provided in the Administrative Procedure Act (sec. 11, 60 Stat. 244, as amended; 5 U.S.C. 1010 et seq.) and designated by the Commissioner for conducting the hearing. Any such designation may be made or revoked by the Commissioner at any time. Hearings shall be conducted in an informal but orderly manner in accordance with the regulations in this part and the requirements of the Administrative Procedure Act. The presiding officer shall have the power to administer oaths and affirmations, to rule upon offers of proof and admissibility of evidence, to receive relevant evidence, to examine witnesses, to regulate the course of the hearing, to hold conferences for the simplification of the issues, and to dispose of procedural requests, but he shall not have power to decide any motion that involves final determination of the merits of the proceeding.

§ 121.58 Parties; burden of proof; appearances.

At the hearing, the person whose objections raised the issues to be determined shall be, within the meaning of section 7(c) of the Administrative Procedure Act, the proponent of the order sought, and accordingly shall have the burden of proof. Any interested person shall be given an opportunity to appear at the hearing, either in person or by his authorized representative, and to be heard with respect to matters relevant to the issues raised by the objections. Any interested person who desires to be heard at the hearing in person or through a representative shall, within the time specified in the notice of hearing, file with the presiding officer a written notice of appearance setting forth his name, address, and employment. If such person desires to be heard through a representative, such person or such representative shall file with the presiding officer a written appearance setting forth the name, address, and employment of such person. Any person or representative shall state with particularity in the notice of appearance his interest in the proceeding and shall set forth the specific provisions of the regulation concerning which objections have been made on which such person desires to be heard. The notice of appearance shall also set forth with particularity the position to be taken concerning the objections on which he wishes to be heard. No person shall be heard if he failed to file notice of his appearance within the time prescribed, in the absence of a clear showing of good cause why the notice of appearance was not filed. All present at the hearing shall conform to all reasonable standards of orderly and ethical conduct.

§ 121.59 Request for stay of effectiveness of regulation pending a hearing.

When a hearing is requested under § 121.55, the request may also include a request for a stay of effectiveness of the order, in whole or in part, which request shall include the reasons for the stay together with a showing that the stay involves no hazard to the public health.

§ 121.60 Prehearing and other conferences.

(a) The presiding officer, on his own motion or on the motion of any party or his representative, may direct all parties or their representatives to appear at a specific time and place for a prehearing conference to consider:

(1) The simplification of the issues.

(2) The possibility of obtaining stipulations, admissions of facts, and documents.

(3) The possibility of the limitation of the number of witnesses.

(4) The scheduling of witnesses to be called.

(5) The advance submission of all documentary evidence.

(6) Such other matters as may aid in the disposition of the proceeding.

The presiding officer shall make an order reciting the action taken at the conference, the agreements made by the parties or their representatives, and the scheduling of witnesses, and limiting the issues for hearing to those not disposed of by admissions or agreements. Such order shall control the subsequent course of the proceeding unless modified for good cause by subsequent order.

(b) The presiding officer may also direct all parties and their representatives to appear at conferences at any time during the hearing with a view to simplification, clarification, or shortening of the hearing.

§ 121.61 Submission of documents in advance of hearing.

(a) All documents to be offered at the hearing shall be submitted to the presiding officer and to the interested parties sufficiently in advance of the offer of such documents for introduction into the record to permit study and preparation of cross-examination and rebuttal evidence.

(b) The presiding officer, after consultation with the parties at a conference called in accordance with § 121.60, shall make an order specifying the time at which documents shall be submitted. He shall also specify in his order the time within which objection to the authenticity of such documents must be made to comply with paragraph (d) of this section.

(c) Documents not submitted in advance in accordance with the requirements of paragraphs (a) and (b) of this section shall not be received in evidence in the absence of a clear showing that the offering party had good cause for his failure to produce the documents sooner.

(d) The authenticity of all documents submitted in advance shall be deemed admitted unless written objection thereto is filed with the presiding officer upon notice to the other parties within the time specified by the presiding officer in accordance with paragraph (b) of this section, except that a party will be permitted to challenge such authenticity at a later time upon a clear showing of good cause for failure to have filed such written objection.

§ 121.62 Excerpts from documents.

When portions only of a document are

to be relied upon, the offering party shall prepare the pertinent excerpts, adequately identified, and shall supply copies of such excerpts, together with a statement indicating the purpose for which such materials will be offered, to the presiding officer and to the other parties. Only the excerpts, so prepared and submitted, shall be received in the record. However, the whole of the original document should be made available for examination and for use by opposing counsel for purposes of cross-examination.

§ 121.63 Submission and receipt of evidence.

(a) Each witness shall, before proceeding to testify, be sworn or make affirmation.

(b) When necessary to prevent undue prolongation of the hearing, the presiding officer may limit the number of times any witness may testify, the repetitious examination and cross-examination of witnesses, or the amount of corroborative or cumulative evidence.

(c) The presiding officer shall admit only evidence which is relevant, material, and not unduly repetitious.

(d) Opinion evidence shall be admitted when the presiding officer is satisfied that the witness is properly qualified.

(e) The presiding officer shall file as an exhibit a copy of the FEDERAL REGISTER promulgating the regulation to which objections were taken and the objections that form the basis for the hearing. All documents constituting the record bearing on the point in controversy, and not entitled to protection under section 301(j) of the act, accumulated up to the start of the hearing shall be open for inspection by interested persons during office hours in the office of the Hearing Clerk of the Department, Room 5440, 330 Independence Avenue SW., Washington 25, D.C.

(f) If any person objects to the admission or rejection of any evidence or to other limitation of the scope of any examination or cross-examination, he shall state briefly the grounds for such objection, and the transcript shall not include extended argument or debate thereon except as ordered by the presiding officer. A ruling of the presiding officer on any such objection shall be a part of the transcript, together with such offer of proof as has been made.

§ 121.64 Transcript of the testimony.

Testimony given at a public hearing shall be reported verbatim. All written statements, charts, tabulations, and similar data offered in evidence at the hearing shall be marked for identification and, upon a showing satisfactory to the presiding officer of their authenticity, relevancy, and materiality, shall be received in evidence subject to the Administrative Procedure Act (sec. 7(c), 60 Stat. 238; 5 U.S.C. 1008(c)). Exhibits shall if practicable, be submitted in quintuplicate. In case the required number of copies are not made available, the presiding officer shall exercise his discretion in determining whether said exhibit shall be read in evidence or whether additional copies shall be required to be submitted within a time to be specified by the presiding officer. Where the testimony of a witness refers to a statute, or to a report or document,

the presiding officer shall, after inquiry relating to the identification of such statute, report, or document, determine whether the same shall be produced at the hearing and physically be made a part of the evidence by reference. Where relevant and material matter offered in evidence is embraced in a report or document containing immaterial and irrelevant matter, such immaterial and irrelevant matter shall be excluded and shall be segregated insofar as practicable, subject to the direction of the presiding officer.

§ 121.65 Oral and written arguments.

(a) Unless the presiding officer issues an announcement at the hearing authorizing oral argument before him, it shall not be permitted.

(b) The presiding officer shall announce at the hearing a reasonable period within which interested persons may file written arguments based solely upon the evidence received at the hearing, citing the pages of the transcript of the testimony or properly identified exhibits where such evidence occurs.

§ 121.66 Indexing of record.

(a) Whenever it appears to the presiding officer that the record of hearing will be of such length that an index to the record will permit a more orderly analysis of the evidence and reduce delay, the presiding officer shall require counsel for the parties to prepare a daily topical index, which will be available to the presiding officer and all parties. Preparation of such an index shall be apportioned among all counsel present in such manner as appears just and proper in the circumstances.

(b) The index shall include each topic of testimony upon which evidence is taken, the name of each witness testifying upon the topic, the page of the record at which each portion of his testimony appeared, and the number of each exhibit relating to the topic. The index shall also contain the name of each witness, followed by the topics upon which he testified and the page of the record at which such testimony appears.

§ 121.67 Certification of record.

At the close of the hearing, the presiding officer shall afford witnesses and their counsel a short time (not longer than 30 days, except in unusual cases) in which to point out errors that may have been made in transcribing the testimony. The presiding officer shall promptly thereafter order such corrections made as in his judgment are required to make the transcript conform to the testimony, and he shall certify the transcript of testimony and the exhibits to the Commissioner.

§ 121.68 Filing the record of the hearing.

As soon as practicable after the close of the hearing, the complete record of the hearing shall be filed in the office of the Hearing Clerk. The record shall include the transcript of the testimony, all exhibits, and any written arguments that may have been filed.

§ 121.69 Copies of the record of the hearing.

The Department will make provision for a stenographic record of the testimony and for such copies of the tran-

script thereof as it requires for its own purposes. Any person desiring a copy of the record of the hearing or of any part thereof shall be entitled to the same upon payment of the costs thereof.

§ 121.70 Proposed order after public hearing.

As soon as practicable after the time for filing written arguments has ended, the Commissioner shall prepare and cause to be published in the FEDERAL REGISTER a proposed order which shall set forth in detail the findings of fact and conclusions, and recommend decision on the objections that were the subject of the hearing and tentative regulations. The proposed order shall specify a reasonable time, ordinarily not to exceed 60 days, within which any interested person may file exceptions. The exceptions shall point out with particularity the alleged errors in said proposed order and shall contain a specific reference to the pages of the transcript of the testimony or to the exhibits on which each exception is based. Such exceptions may be accompanied by a memorandum or brief.

§ 121.71 Final order after public hearing.

As soon as practicable after the time for filing exceptions has passed, the record and the exceptions shall be presented to the Secretary and he shall cause to be published in the FEDERAL REGISTER his final order promulgating the regulation, which shall specify the date on which the order shall take effect.

§ 121.72 Adoption of regulation on initiative of Commissioner.

(a) The Commissioner upon his own initiative may propose the issuance of a regulation prescribing, with respect to any particular use of a food additive, the conditions under which such additive may be safely used. Notice of such proposal shall be published in the FEDERAL REGISTER and shall state the reasons for the proposal.

(b) Action upon a proposal made by the Commissioner shall, after publication of the notice, proceed as provided in § 121.51 and section 409 of the act.

§ 121.73 Judicial review.

The Secretary of Health, Education, and Welfare hereby designates the Assistant General Counsel for Food and Drugs of the Department of Health, Education, and Welfare as the officer upon whom copy of petition for judicial review shall be served. Such officer shall be responsible for filing in the court a transcript of proceedings and the record on which the order of the Secretary of Health, Education, and Welfare is based. The transcript and record shall be certified by the Secretary.

§ 121.74 Procedure for amending and repealing tolerances or exemptions from tolerances.

(a) The Commissioner or any interested person may propose the issuance of a regulation amending or repealing a regulation pertaining to a food additive or granting or repealing an exemption for such additive. Such a proposal by an interested person shall be in writing. If such proposal by an interested person furnishes reasonable grounds therefor, the Commissioner will publish a notice announcing the proposal. Proposals ini-

tiated by the Commissioner will likewise be published. Following such publication, the proceedings shall be the same as prescribed by section 409 of the act and the regulations in this part for the promulgation of a regulation.

(b) "Reasonable grounds" shall include an explanation showing wherein the person has a substantial interest in such regulation and an assertion of facts (supported by data if available) showing that new information exists with respect to the food additive or that new uses have been developed or old uses aban-

doned, that new data are available as to toxicity of the chemical, or that experience with the existing regulation or exemption may justify its amendment or repeal. New data should be furnished in the form specified in § 121.51 for submitting petitions.

§ 121.75 Exemption for investigational use.

A food additive, or a food containing such an additive intended for investigational use by qualified experts, shall be exempt from the requirements of section 409 of the act: *Provided*, That the

food additive or the food containing the additive bears a label which states prominently "Caution—Contains new food additive—For investigational use only. Not to be used for human food or food for other than laboratory animals."

Effective date. This order shall become effective upon publication in the FEDERAL REGISTER.

Dated: March 23, 1959.

[SEAL]

JOHN L. HARVEY,
Deputy Commissioner
of Food and Drugs.



Department of the Interior

FISH AND WILDLIFE SERVICE

GENERAL USE OF FISH TRAPS BARRED IN ALASKA SALMON FISHERY:

General use of the fish trap, for years a controversial type of salmon-fishing equipment in Alaska, is prohibited by the 1959 Alaska commercial fishing regulations issued on March 9 by the Department of the Interior. The regulations were approved by Secretary of the Interior Fred A. Seaton on March 7.

Despite the elimination of most fish traps, little or no relaxation of restrictions is proposed in other forms of fishing gear because of the generally weak salmon runs expected by the Department in most areas of Alaska in 1959. In fact, more severe restrictions on other forms of gear would have been necessary if the fish trap action had not been taken.

Pink and red salmon account for about 80 percent of the annual Alaska salmon



PINK SALMON
ONCORHYNCHUS GORBUSCHA

catch and predictions are for poor runs in both of these species. Pink salmon, which has a two-year cycle, had a poor escapement in 1957; hence the prediction of small runs in 1959. Red salmon, with a four to six-year cycle had a poor escapement in both 1954 and 1955.

The general ban on fish traps does not apply to those traps owned and operated by Indian villages. There are 21 such sites in Alaska, some of which have been owned and operated by the Indians since 1891. Eleven of these sites will be allowed to operate this year. This assures the Indians the same number of traps allowed in 1958, and is in accordance with the intent of Alaska Statehood legislation which requires recognition of the rights of the natives.

The fish trap issue, which had been a point of controversy for many years, was brought to a head last autumn when Secretary Seaton announced on November 9, that the Department would recommend a prohibition on the use of that type of equipment on the salmon runs. Numerous public hearings followed the Secretary's pronouncement. Well advertised public hearings were held in nine cities, beginning with a session in Seattle, Wash., December 3, 4, and 5. The Seattle meeting was followed by three-day public hearings in



SOCKEYE (RED) SALMON
(ONCORHYNCHUS NERKA)

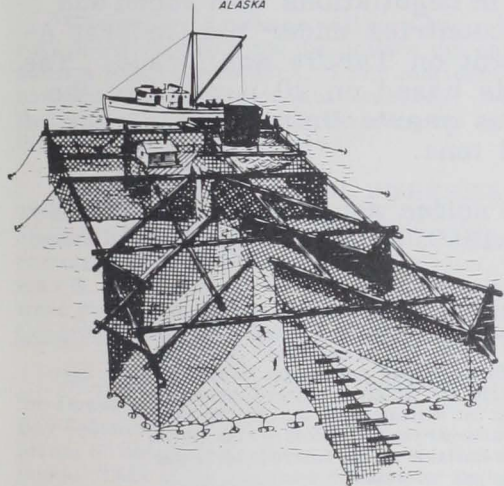
Juneau and Anchorage, Alaska. In January, one-day hearings were held in Kodiak, Dillingham, Cordova, Sitka, Wrangell, and Ketchikan. A one-day hearing also was held on January 19, in Washington, D. C. In all hearings there was opportunity for full discus-

sion of the proposed fish trap regulation as well as other proposed regulations for 1959.

The fish trap is a corral-type structure operated in an appropriate place along a salmon migration route. There were 243 such traps operated along Alaska's coastline in 1958.

The total "take" of the traps was limited by the number of days they were

FLOATING SALMON TRAP
ALASKA



permitted to operate each week. In recent years traps have taken 25 to 40 percent of the total Alaska salmon catch.

On two recent occasions Alaskans have voted overwhelmingly in favor of eliminating salmon traps. With the advent of statehood, Secretary Seaton announced that the Department would, as rapidly as possible, adjust its actions to reflect the wishes of Alaskans in the disposition of their natural resources.

Under the terms of the Alaska Statehood Act, jurisdiction over the fish and wildlife resources of the new State remains in the Federal Government until the State legislature makes adequate provision for administration of these resources.

The regulations are silent about a second question, the red salmon fishery in Bristol Bay during the coming season. The Bureau of Commercial Fisheries, United States Fish and Wildlife Service, recommended delay in drafting regulations to cover that situation to permit clarification of Japanese intentions in its high-seas fishery which intercepts runs destined for Bristol Bay. The Department of State is negotiating with the Japanese Government to limit the 1959 Japanese fishery harvest to 1958 levels which would permit a limited fishery in Bristol Bay.

Prince William Sound, where poor pink salmon runs and escapement in the 1957 cycle year portend a weak run in 1959, will be closed to fishing this year in an effort to build up the run for 1961.

The taking of salmon for "personal use" has been severely restricted in the Cook Inlet area. The very significant population increase in the Anchorage area and the increased accessibility to the salmon streams through road construction have resulted in a tremendous increase in the individuals fishing for sport and home use. The 1959 regulations place a bag limit on fish taken by hook and line; a number of stream areas will be closed entirely; and personal use fishing with nets will be drastically curtailed.

The regulations retain the "status quo" in regard to several issues debated at length by the various segments of the industry. No change is provided in the 50-foot limit on salmon purse seine vessels long in effect in most areas of Alaska.

The use of drum seines and power blocks to facilitate the operation of salmon purse seines also is permitted throughout Alaska, as in 1958.



Treasury Department

BUREAU OF CUSTOMS

CANNED-IN-BRINE TUNA IMPORTS QUOTA FOR 1959:

The quantity of tuna canned in brine which may be imported into the United States during the calendar year 1959 at the 12½-percent rate of duty is limited to 52,372,574 pounds, 17.2 percent more than the 44,693,874 pounds in 1958 and 11.5 percent more than the 45,460,000-pound quota for 1957. Any imports in excess of the 1959 quota will be dutiable at 25 percent ad valorem, the Bureau of Customs announced in the April 9, 1959, Federal Register.

Any tuna classifiable under Tariff Act paragraph 718(b)--fish, prepared or preserved in any manner, when packed

in airtight containers . . . (except fish packed in oil or in oil and other substances; . . .)--which is entered or withdrawn for consumption during 1958 is included.

A proclamation (No. 3128), issued by the President on March 16, 1956, gave effect to an exchange of notes with the Government of Iceland to withdraw tuna canned in brine from the 1943 trade agreement and invoked the right to increase the duty reserved by the United States in negotiations with Japan and other countries under the General Agreement on Tariffs and Trade. The quota is based on 20 percent of the previous year's United States pack of canned tuna.

The notice as published in the April 9, 1959, Federal Register follows:

DEPARTMENT OF THE TREASURY

Bureau of Customs

[T. D. 54028]

TUNA FISH

Tariff-Rate Quota

APRIL 6, 1959.

Pursuant to Presidential Proclamation No. 3128 of March 16, 1956 (T.D. 54051), it has been determined that 52,372,574 pounds of tuna may be entered for consumption or withdrawn from warehouse for consumption during the calendar

year 1959 at the rate of 12½ per centum ad valorem under paragraph 718(b), Tariff Act of 1930, as modified. Any tuna classifiable under paragraph 718(b) of the tariff act which is entered, or withdrawn, for consumption during the current calendar year in excess of this quota will be dutiable at the full rate of 25 per centum ad valorem.

The above quota is based on the United States pack of canned tuna during the calendar year 1958, as reported by the United States Fish and Wildlife Service.

[SEAL]

RALPH KELLY,
Commissioner of Customs.

Note: Also see Commercial Fisheries Review, May 1958, p. 76.



Eighty-Sixth Congress

(First Session)

Public bills and resolutions which may directly or indirectly affect the



as well as signature into law or other final disposition are covered.

fisheries and allied industries are reported upon. Introduction, referral to committees, pertinent legislative actions, hearings, and other actions by the House and Senate,

ALASKA'S COMMERCIAL FISHERIES--ABOLITION OF FISH TRAPS: Senator Gruening on March 12 spoke on the floor of the Senate on the abolition of fish traps in Alaska's commercial fisheries. Excerpts of the Senator's remarks follow:

"Mr. President, news which will be greeted enthusiastically by Alaskans was contained in an announcement this week by the Secretary of the Interior Fred A. Seaton, that he has included in Alaska commercial fisheries regulations this year a provision abolishing use of a device known as the fish trap. This fish trap abolition order is for Alaskans the best news to come out of Washington--I mean Washington, D. C., and not the State of Washington--the best news since the Congress passed the Alaska Statehood Act last year.

"The departure of the fish trap from our waters is long overdue.

"The fish trap in the almost unanimous view of Alaskans is a monopolistic device which more than

any other thing has led to the tragic depletion of what once was Alaska's greatest natural resource and the greatest national fisheries resource, the Pacific salmon . . .

"Mr. President, we shall shortly be debating the area redevelopment bill. It is my hope that it will be speedily passed. I am hopeful that it will prove helpful in assisting some of the Alaska fishing areas in their rehabilitation, as well as other depressed areas in the 49 States . . .

"The action by the Secretary of the Interior in banning the general use of fish traps--however late--is welcome. It comes some 10 days after the first State Legislature of Alaska took similar action.

"Meanwhile, Alaskans will now begin the long task of rebuilding from the bottom the once great salmon fishery resource. I am confident that now--having control of this resource, cherishing it, living close to it, understanding its importance--they will eventually succeed."

ALASKA'S COMMERCIAL FISHERIES--BRISTOL BAY SALMON FISHING CLOSURE: On the closure of the Bristol Bay red salmon fishery to commercial fishing for the 1959 season, Congressman R. J. Rivers made certain observations which were published in the Appendix of the March 20 Congressional Record. Excerpts follow:

"Mr. Speaker, the recent announced intention of the Department of the Interior to close the Bristol Bay Salmon Fishery is a severe blow to the residents of the Bristol Bay area in southwestern Alaska. This is so because fishing is the principal means of livelihood for the people of that area. . . They have watched the situation get progressively worse since the Japanese started their high-seas fishery for salmon in the North Pacific in 1952. Although only 2 million fish were taken by the Japanese in that year, their activity grew rapidly until they took 64 million salmon in 1955, and the catch has fluctuated between this figure and about 40 million since then. Although only a portion of the salmon caught by the Japanese are spawned in American streams, the area in which the Japanese fishing is conducted is an area in which there is intermingling of Alaska spawned salmon and Asian spawned salmon. This has been ascertained through scientific research by Canada, Japan, and the United States under the terms of the North Pacific Convention entered into between those countries 5 years ago. This is the treaty wherein the Japanese agreed not to fish east of 175° west longitude and which treaty will not expire for another 5 years. Although this dividing line is admittedly provisional and subject to modification by mutual agreement of said three countries on the basis of knowledge obtained through research, there is nothing in the treaty which would compel the Japanese to agree to any change. Thus, by staying on their own side of the line they are living up to the letter of the treaty, but not the spirit thereof. Furthermore, their miles of seines with mesh too small for conservation purposes are catching over 1 million immature salmon every year which were spawned in the streams flowing into Bristol Bay. Accordingly, the treaty also needs changing to avoid the destructive effect of catching immature salmon.

"As a result of these events, including the bumper catch by the Japanese in 1955, the U. S. Fish

and Wildlife Service estimates a low-cycle return of salmon into Bristol Bay during the coming 1959 fishing season, so small, in fact, as to not allow the catching of any salmon by American fishermen in Bristol Bay this summer. Unless estimates change, all of the salmon which reach Bristol Bay during the pending season must be allowed to go up the streams to spawn in order to perpetuate and improve this great American resource . . .

"This statement would not be complete without my saying that a research program still in its infancy shows that salmon from our west coast other than those spawned in Bristol Bay, and other than red salmon, also mingle in the same north Pacific feeding grounds about which I am speaking and it might well be that the entire West Coast salmon fishery all the way from Oregon to Alaska's Seward Peninsula on the Bering Sea is being adversely affected.

"In view of the fact that this untenable situation is of national importance, Congressman Thomas M. Pelly from the State of Washington, and others have joined with me in introduction of bills which would ban the import into the United States of Japanese-caught salmon until such time as the Japanese cooperate with our State Department in renegotiating the North Pacific Fishery Convention for the long range mutual benefit of all concerned. As the situation now stands, and unless there is an early change for the better, it is going to be necessary in the national interest to enact such legislation. . ."

ALASKA OMNIBUS ACT: S. 1541 (Murray & 4 other Senators), a bill to amend certain laws of the United States in light of the admission of the State of Alaska into the Union, and for other purposes; to the Committee on Interior and Insular Affairs; introduced in Senate March 25. The proposed legislation is largely technical providing changes in Federal laws, necessary because of the change in Alaska's status from Territory to a State, eliminating inappropriate reference to the "Territory of Alaska" in Federal statutes. Other provisions are substantive, such as the termination of certain special Federal programs in Alaska, and enabling Alaska to participate in other programs, including Fish and Wildlife Restoration, and "an equal footing with other States." The bill was drafted by the executive agencies concerned with the administration of Federal responsibilities in Alaska.

Also H. R. 6091 (Aspinall), and H. R. 6109 (O'Brien of New York); both introduced in House March 26; both to the Committee on Interior and Insular Affairs. Similar to S. 1541 previously introduced.

ALBATROSS III DEACTIVATION HEARINGS: The special Subcommittee on Oceanography of the House Committee on Merchant Marine and Fisheries conducted hearings on the deactivation of the Fish and Wildlife Oceanographic Research Vessel Albatross III and on March 12 heard testimony from Donald L. McKernan, Director, Bureau of Commercial Fisheries, U. S. Department of Interior.

COLUMBIA RIVER FISHERIES PROGRAMS: The sub-committee on Public Works of the Senate Committee on Appropriations continued its hearings on proposed fiscal 1960 budget estimates for civil functions of the Corps of Engineers. On March 23 heard testimony from Donald McKernan, Director,

Bureau of Commercial Fisheries, U. S. Department of the Interior, who discussed the Columbia River fisheries programs.

DOGFISH SHARK ERADICATION: H. R. 5937 (Norblad), a bill to amend the act providing for a program to eradicate the dogfish shark on the Pacific coast in order to expand such program; to the Committee on Merchant Marine and Fisheries; introduced in House March 23. Similar to S. 1264 previously introduced which would extend the program from a "four year" to a "five year" period and would provide incentive payments to fishermen with respect to both dogfish shark carcasses and livers.

FISHERIES ASSISTANCE ACT OF 1959: H. R. 5421 (MacDonald), a bill to provide a program of assistance to correct inequities in the construction of fishing vessels and to enable the fishing industry of the United States to regain a favorable economic status, and for other purposes; introduced in House March 9; also H. R. 5566 (Bates) introduced in House, and S. 1374 (Saltonstall and 4 other Senators) introduced in Senate, both on March 11, similar to H. R. 5421; House bills to Committee on Merchant Marine and Fisheries, Senate bill to Committee on Interstate and Foreign Commerce. The bills contain certain provisions similar to those provided for in H. R. 181 and related bills previously introduced and reported under title of Fisheries Assistance Act of 1959. Specifically the bills would provide for a construction cost differential for new fishing vessels and would establish a loan fund of \$5 million for long-term credit to processors located in distressed segments of the fishing industry.

Senator Saltonstall introduced on March 11 a comprehensive measure (S. 1374) to assist depressed segments of the fishing industry. Saltonstall filed the bill for himself and Senators Kennedy, Smith, Muskie, and Magnuson.

The bill is a companion to one (H. R. 5566) filed on the same day in the House by Congressman William Bates. It is similar to one filed by the same sponsors (except Senator Muskie) in the last Congress (which was reported favorably by the Senate Interstate and Foreign Commerce Committee but it failed of final passage in the closing days of that Congress).

Saltonstall noted that several months of study had gone into the bill and that it was considered to be an improved version over the Federal Fisheries Assistance Act proposed last year.

The bill calls for: (1) a construction cost differential for new fishing vessel construction; (2) a loan fund of \$5 million for long-term credit to processors located in distressed segments of the fishing industry.

In separate legislation last year loan provisions were enacted for the benefit of fishing-vessel operators.

Senator Saltonstall and Congressman Bates issued the following joint statement:

"It has been clear for many years that the domestic groundfish industry faces a grave economic problem. And the problem is of no small conse-

quence to New England, for over 60,000 people depend for their livelihood on this industry.

"Twice in recent years President Eisenhower has been constrained for reasons of national security to reject two recommendations by the Tariff Commission for the relief of the New England groundfish industry. The industry has established economic justification before the Tariff Commission and demonstrated that it cannot maintain competition against foreign imports without tariff relief or some other measure of assistance. But security considerations have precluded relief; and industry's condition continues to worsen.

"We therefore ask only this: Is it equitable to assume that one industry should bear the entire brunt of our national security policies with respect to friendly nations engaged in fisheries commerce? Should this industry be forced to suffer economically for national security considerations which affect us as a nation as a whole?

"Some measure of assistance is clearly in order. On this all are in agreement.

"This legislation meets the immediate needs of the distressed segments of this vital industry. It will enable shore processors to regain a measure of economic stability and to strengthen their competitive position greatly damaged in recent years by heavy imports of groundfish. It further provides that construction differential payments will be made to fishing vessel operators who are now required under existing regulations to build new vessels in this country.

"Oftentimes vessels can be built 30 to 50 percent cheaper in a foreign yard, but the operator is precluded from taking advantage of this saving.

"Yet, he must go out and fish sometimes just a few yards away from his foreign competitor whose vessel was built at this reduced cost. If there are tariffs to protect the domestic operator then he is unconcerned that the foreign boat was built at much less than the cost of his own.

"But in view of the present tariff situation the fisherman is compelled to compete in the open market with the foreign producers. Thus the requirement that he build his boat in this country makes it virtually impossible for him to compete on fair terms with his foreign counterparts. If we cannot raise tariffs--and it is clear under present international conditions that we cannot--then we must permit fishermen who are in direct day to day competition with fishing fleets of foreign nations to overcome this inequity, just as the Maritime Act contemplated and just as the Maritime Act now permits with our Merchant Marine. There is no distinction in the justification of the two and it is time that Congress remedied the patent injustice."

Joint Memorial of the Legislative Assembly of the State of Massachusetts was presented to the Senate by Senator Saltonstall (for himself and Mr. Kennedy) on April 10 and to the House by Congressman Lane on April 14. The Memorial urges the Congress of the United States to enact legislation to alleviate the burdens presently existing on the textile and fishing industries of Massachusetts

adversely affected by national and international policies; Memorial to the Senate was referred to the Committee on Banking and Currency, Memorial to the House was referred to the Committee on Ways and Means.

FISH AND WILDLIFE COOPERATIVE RESEARCH TRAINING UNITS: H. R. 5814 (Metcalf), a bill to provide for cooperative unit programs of research, education, and demonstration between the Federal Government of the United States, colleges and universities, the several States and Territories, and private organizations, and for other purposes; to the Committee on Merchant Marine and Fisheries; introduced in House March 18. The bill would authorize the Secretary of the Interior to permit the U. S. Fish and Wildlife Service and other agencies within his Department to enter into cooperative agreements with other Federal agencies, colleges and universities, State and Territorial fish and game departments, and nonprofit organizations for conducting research, training, and demonstrational programs through the establishment of cooperative research units, which may be named for the various States and Territories in which they are formed.

GAME FISH IN DAM RESERVOIRS RESEARCH: S. 1262 (Fulbright), a bill to direct the Secretary of the Interior to establish a research program in order to determine means of improving the conservation of game fish in dam reservoirs; to the Committee on Interstate and Foreign Commerce; introduced in Senate on March 5. Also H. R. 5959 (McGovern) introduced in House March 23, H. R. 6115 (Sikes) introduced in House March 26; and H. R. 6184 (Miller) introduced in House April 8; all to the Committee on Merchant Marine and Fisheries. Similar to S. 1262 previously introduced which would provide a research program to be conducted for improving conservation of game fish in dam reservoirs.

HAWAII STATEHOOD: The President of the United States signed into law S. 50, to provide for the admission of Hawaii into the Union. Signed March 18, 1959 (P. L. 86-3).

INCOME FROM FISHING WHERE CATCH IS LANDED IN PUERTO RICO: H. R. 5709 (King of California), a bill to amend the Internal Revenue Code of 1954 with respect to income derived from fishing where the catch is landed in Puerto Rico; to the Committee on Ways and Means; introduced in House March 16. Provides that income derived from the conduct of a fishing venture shall be treated as income derived from sources within Puerto Rico, if the catch of fish (including shellfish and crustacea) is landed, sold, or delivered in Puerto Rico. The bill would also provide that for purposes relating to withholding tax on wages, services performed by a citizen of the United States within Puerto Rico, or in connection with a fishing venture where the catch is landed, sold or delivered in Puerto Rico, the employee will be considered a bona fide resident of Puerto Rico. This exempts those individuals in the category from United States income tax.

INSECTICIDES EFFECT UPON FISH AND WILDLIFE: H. R. 5813 (Metcalf), a bill to amend the act of August 1, 1958, to authorize and direct the Secretary of the Interior to undertake continuing studies of the effects of insecticides, herbi-

cides, fungicides, and other pesticides, upon fish and wildlife for the purpose of preventing losses of those invaluable natural resources and for other purposes; to the Committee on Merchant Marine and Fisheries; introduced in House March 18. Increases amount of money for studies by both the Bureau of Sport Fisheries and Wildlife and the Bureau of Commercial Fisheries from \$280,000 to \$2,565,000 annually.

Also S. 1575 (Magnuson) introduced in Senate March 26; to the Committee on Interstate and Foreign Commerce. Similar to H. R. 5813 previously introduced.

INTERIOR APPROPRIATIONS: H. R. 5915 (Kirwan), a bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1960, and for other purposes, introduced in House March 20. Included are appropriations for the Fish and Wildlife Service and its two Bureaus. Reported to the House (H. Rept. 237) on March 20 and referred to the Committee of the Whole House on the State of the Union.

The House on March 23 passed without amendment H. R. 5915, making appropriations for the Department of the Interior and related agencies for fiscal year 1960. Included are appropriations for the Fish and Wildlife Service and its two Bureaus. As reported from the Committee on Appropriations the bill provides funds for the Department totaling \$472,198,800, which amount is \$22,912 below the 1959 appropriation, and \$18,902,600 under the budget estimates.

House Report No. 237, Department of the Interior and Related Agencies Appropriation Bill, 1960 (March 20, 1959, 86th Congress, 1st Session, Report of the House Committee on Appropriations to accompany H. R. 5915), 29 pp., printed. Contains appropriations for the Department of Interior and related agencies for fiscal year 1960. Included are funds for the Fish and Wildlife Service and its two Bureaus totaling \$26,546,000, which amount is \$3,227,750 greater than the 1959 appropriation, but \$2,598,400 under the budget estimate.

OFFICE OF THE COMMISSIONER OF FISH AND WILDLIFE SERVICE: The Committee has allowed \$340,000 for executive direction and coordination of the Fish and Wildlife Service at headquarters in Washington, D. C. The amount represents a reduction of \$3,000 in the budget estimate for Pay Act costs but is an increase of \$32,200 over the 1959 appropriation.

BUREAU OF SPORT FISHERIES AND WILDLIFE: The Committee recommended funds totaling \$16,708,000, an increase of \$323,550 over the 1959 appropriation, but \$922,200 less than the budget estimate.

BUREAU OF COMMERCIAL FISHERIES: The Committee recommended funds totaling \$9,498,000, an increase of \$2,872,000 over the 1959 appropriation, but \$1,673,200 less than the budget estimate.

Management and Investigation of Resources: The Committee recommended \$5,928,000, a reduction of \$1,673,000 from the budget request and a decrease of \$23,000 from the 1959 appropriation. The reduction in the 1960 estimate results from a change in the proposed method of financing which

the Committee feels should not affect the planned level of operation except for the required absorption of \$35,000 of the Pay Act costs and a decrease of \$30,000 in the request of \$80,000 for the administration of the Fishing Vessel Mortgage Insurance Program.

Of the reduction, \$1,230,350 has been made in the request for administration of the Alaska fisheries. In lieu of the direct appropriation request of \$1,664,700, the Committee provided a direct appropriation of \$435,000 which together with the provision of \$398,000 from the unbudgeted Pribilof Island's receipts will finance the activity until January 1, 1960. The Committee feels that this allows adequate time for Alaska to prepare for assumption of this responsibility as provided for in the Statehood Act. The additional reduction of \$378,000 results from a deferral of a portion of the proposed shift in financing of current research from permanent appropriations to a direct appropriation basis. The amount deferred represents the unobligated balance estimated for the permanent appropriation for fiscal year 1960.

The increases allowed include the following: \$158,300 for additional research including insecticide studies; \$50,000 for administration of the Fishing Vessel Mortgage Insurance Program; \$271,050 to shift the financing of certain research projects from the permanent to a direct appropriation basis; and \$320,000 for Pay Act costs.

Construction: The budget estimate of \$245,000 is recommended by the Committee, a decrease of \$255,000 from the 1959 appropriation. The major project to be financed in 1960 is the installation of salt-water system for experimental research at the Galveston, Tex. Laboratory.

Fisheries Loan Fund: The Committee has allowed the budget request of \$3,000,000 to provide additional capital for the fisheries loan fund to continue loans for the operation, maintenance, replacement, and equipment of fishing gear and vessels.

Limitation on Administrative Expenses, Fisheries Loan Fund: The Committee has recommended the budget limitation of \$313,000, the same as for the current year.

General Administrative Expenses: The Committee has allowed \$325,000, a decrease of \$200 in the budget request and an increase of \$150,000 in the 1959 appropriation. This increase reflects a transfer in the estimates to this item of \$135,200, from the Bureau of Sport Fisheries and Wildlife, under the reorganization of the Service, and \$14,800 for Pay Act costs.

Administration of Pribilof Islands: The Committee recommends the budget estimate of \$1,940,000 for administration of the Pribilof Islands. The funds are derived from the proceeds from sales of fur seal skins and other wildlife products of the Islands. Although the amount allowed represents an increase of \$599,569 in the 1959 appropriation, it is an increase of only \$20,000 on a funds available basis.

Administrative Provisions: The Committee has disallowed the request for replacement of six aircraft for the use in Alaska at a cost of \$70,000.

The Committee sees no necessity for the request in light of the planned transfer of the administration of the Alaska Game and Fish Laws to the State of Alaska.

INTERIOR SUPPLEMENTAL APPROPRIATIONS: H. R. 5916 (Thomas), a bill making supplemental appropriations for the fiscal year ending June 30, 1959, and for other purposes, introduced in House March 20. Included under the Department of Interior are increases for the Fish and Wildlife Service and its two Bureaus to take care of salary increases provided by law last year. Reported to the House (H. Rept. No. 238) on March 20 and referred to the Committee of the Whole House on the State of the Union.

The House on March 24 passed H. R. 5916, making supplemental appropriations for fiscal year 1959. Included are appropriations for the Fish and Wildlife Service and its two Bureaus to meet salary increases provided for last year.

The Subcommittee of the Senate Committee on Appropriations held hearings April 7 on H. R. 5916, second supplemental appropriations for fiscal year 1959, with testimony from witnesses representing various agencies. This bill contains a request for funds to cover Fish and Wildlife Service salary increase costs voted by Congress in 1958 for all Government employees.

House Report No. 238, Second Supplemental Appropriation Bill, 1959 (March 20, 1959, 86th Congress, 1st Session, Report of the House Committee on Appropriations to accompany H. R. 5916), 55 pp., printed. Contains supplemental appropriations for the Department of Interior and related Agencies for fiscal year, 1959. Included are funds for the Fish and Wildlife Service and its two Bureaus to cover Pay Act increases.

OFFICE OF THE COMMISSIONER OF FISH AND WILDLIFE SERVICE: The Committee has allowed \$24,300 for Pay Act cost increases to cover salaries and expenses for executive direction and coordination of the Fish and Wildlife Service at headquarters in Washington, D. C. The amount represents a reduction of \$2,700 from the budget estimate.

BUREAU OF SPORT FISHERIES AND WILDLIFE: The Committee has allowed funds totaling \$765,450, a reduction of \$85,050 from the budget estimate for Pay Act cost increases covering salaries and expenses.

BUREAU OF COMMERCIAL FISHERIES: The Committee has allowed funds totaling \$333,000, a reduction of \$37,000 from the budget estimate, for Pay Act cost increases covering salaries and expenses.

Management and Investigation of Resources: The Committee allowed \$319,500, a reduction of \$35,500 under budget estimates.

General Administrative Expenses: The Committee allowed \$13,500, a reduction of \$1,500 under budget estimates.

INTERSTATE TRANSPORTATION OF FISH: A draft of proposed legislation to clarify a provision

in the Black Bass Act relating to the interstate transportation of fish, and for other purposes, was transmitted with an accompanying paper to the House and Senate by the Assistant Secretary of the Interior on March 9, 1959, and referred to the respective Committees; to the Senate Committee on Interstate and Foreign Commerce, to the House Committee on Merchant Marine and Fisheries.

H. R. 5854 (Bonner), a bill to clarify a provision in the Black Bass Act relating to the interstate transportation of fish, and for other purposes; to the Committee on Merchant Marine and Fisheries; introduced in House March 19. Similar to S. 1391 previously introduced. Would provide for the shipment of fish or eggs in interstate commerce for breeding or stacking purposes if they were caught, sold, purchased, or transported in accordance with the laws of the state in which taken.

MARINE GAME FISH RESEARCH: H. R. 6114 (Sikes), a bill authorizing and directing the Secretary of the Interior to undertake continuing research on the biology, fluctuations, status, and statistics of the migratory marine species of game fish of the United States and contiguous waters, introduced in House March 26; and H. R. 6185 (Miller) introduced in House April 8; both to the Committee on Merchant Marine and Fisheries. Similar to H. R. 5004 previously introduced which would provide for a marine game fish research program.

MEDICAL CARE FOR VESSEL PERSONNEL: H. R. 5321 (Pelly), a bill to extend medical, surgical, and dental treatment in hospitals and stations of the Public Health Service without charge to certain seamen on United States-flag fishing vessels in international waters; to the Committee on Interstate and Foreign Commerce; introduced in House March 5. Similar to S. 255 and bills previously introduced providing for certain technical amendments to the Public Health Service Act (42 U.S.C. 249) to insure medical care for vessel personnel. The bill would provide this new subparagraph to section 322 (a) of the Act "(8) Seamen on American-owned United States-flag vessels in excess of twenty feet in length regularly engaged in fishing in international waters."

NAVIGATION AND INSPECTION LAW AMENDMENT: S. 1390 (Magnuson), a bill to repeal and amend certain statutes fixing or prohibiting the collection of fees for certain services under the navigation and vessel inspection laws; to the Committee on Interstate and Foreign Commerce; introduced in Senate March 12. The proposed legislation would repeal certain statutes prohibiting the charging or collection of fees for certain services rendered to vessel owners by the Bureau of Customs and the U. S. Coast Guard. It would further repeal fees presently fixed by statute for other services rendered by the Bureau of Customs to vessel interests and thus permit the Secretary of the Treasury, under general authority, to fix fees to be collected upon the rendering of any of these services.

Also H. R. 5841 (Bonner); to the Committee on Merchant Marine and Fisheries; introduced in House March 19. Similar to S. 1390.

POWER PROJECTS FISHERIES RESOURCES PROTECTION: S. 1420 (Neuberger), a bill to pro-

mote the conservation of migratory fish and game by requiring certain approval by the Secretary of the Interior of licenses issued under the Federal Power Act; to the Committee on Interstate and Foreign Commerce; introduced in Senate March 16. The bill would provide the U. S. Fish and Wildlife Service with collateral jurisdiction in Federal Power Commission decisions affecting hydroelectric power development in areas where dams would impair migratory fishery resources and wildlife values.

PRICE CONTROL: S. 1452 (Neuberger and Wiley), a bill to provide authority for temporary price, wage, and rent controls, and for other purposes; to the Committee on Banking and Currency; introduced in Senate March 18. Would give the President of the United States authority to establish standby controls whenever a national emergency exists--either from the military or economic standpoint.

PRICE DISCRIMINATION: S. 1339 (Humphrey & 2 other Senators), a bill to amend the Clayton Act to prohibit sales in commerce at unreasonably low prices where the effect may be to injure competition; to the Committee on the Judiciary; introduced in Senate March 9. Similar to H. R. 11, and other bills previously introduced providing for protection of independent business from price discriminations.

The Antitrust and Monopoly Subcommittee, Senate Committee on the Judiciary, on March 17 began hearings on S. 11, to amend the Clayton Act with reference to equality of opportunity, and S. 138, to define the application of the Clayton Act and Federal Trade Commission Act to certain pricing practices.

PRICE DISCRIMINATION ENFORCEMENT OF ORDERS: H. R. 6049 (Huddleston), a bill to amend section 11 of the Clayton Act to provide for the more expeditious enforcement of cease and desist orders issued thereunder, and for other purposes; to the Committee on the Judiciary; introduced in House March 25. Similar to H. R. 2977 and other related bills previously introduced.

PRICE STABILITY: H. R. 5503 (Hechler), a bill to amend the Employment Act of 1946 to include the promotion of maximum purchasing power at stable price levels as a continuing policy and responsibility of the Federal Government, and for other purposes; introduced in House March 10. Also H. R. 5552 (Ostertag) introduced March 11; H. R. 5658 (Bennett of Florida) introduced in House March 13; all to the Committee on Government Operations. Similar to H. R. 17 and other bills previously introduced to make stability of prices an explicit part of the economic policy of the Federal Government.

SALMON IMPORT RESTRICTIONS: Senator Warren G. Magnuson, Chairman of the Committee on Interstate and Foreign Commerce, announced on March 20 hearings on the Bartlett-Gruening-Magnuson Bill, S. 502, to facilitate the application and operation of the Fish and Wildlife Act of 1956, in Juneau, Alaska, April 1 and 2. Specifically the bill would ban importation and sale of salmon caught contrary to regulations governing United States fishermen. Senator Bartlett will conduct the Juneau meeting.

A hearing followed in Seattle on April 3 under the direction of Senators Magnuson and Bartlett on the same bill.

Memorial of the Washington State Legislature was presented to the House by Congressman Magnuson on March 23. The Memorial urges the Congress of the United States and the President to take such action as is necessary to preserve and guard the interests of American fishermen through bilateral negotiations between Japan and the United States; referred to the Committee on Foreign Affairs.

House Joint Memorial of the Legislative Assembly of the State of Washington was presented to the Senate on March 24. The Memorial urges the President and the Congress of the United States to take such action as is necessary to preserve and guard the interest of American fishermen through bilateral negotiations between Japan and the United States to prohibit the taking of anadromous salmon in those waters of the Pacific where Asian and North American stocks commingle; referred to the Committee on Foreign Relations.

SALT-WATER RESEARCH LABORATORY: S. 1576 (Magnuson and Jackson), a bill to provide for the construction of a salt-water research laboratory at Seattle, Wash.; to the Committee on Interstate and Foreign Commerce; introduced in Senate March 26. Similar to H. R. 4402 previously introduced.

SEAWEEDS (GROUND, POWDERED, OR GRANULATED) ON FREE IMPORT LIST: H. R. 5887 (Keith), a bill to amend the Tariff Act of 1930 to place ground, powdered, or granulated seaweeds on the free list; to the Committee on Ways and Means; introduced in House March 20.

Also S. 1634 (Saltonstall); to the Committee on Finance; introduced in Senate April 10. Similar to H. R. 5887 previously introduced which would place ground, powdered, or granulated seaweeds on the free import list.

SHIP MORTGAGE INSURANCE AMENDMENTS OF 1959: The Secretary of Commerce transmitted to the Senate and to the House a draft of proposed legislation to amend Title XI of the Merchant Marine Act, 1936, as amended, with respect to insurance of ship mortgages, and for other purposes (with accompanying papers); received on March 11 and referred to respective committees, for the Senate to the Committee on Interstate and Foreign Commerce, and for the House to the Committee on Merchant Marine and Fisheries.

S. 1434 (Magnuson), a bill to amend title XI of the Merchant Marine Act, as amended, with respect to insurance of ship mortgages, and for other purposes; to the Committee on Interstate and Foreign Commerce; introduced in Senate March 16. Provides for a new section which would permit the prospective owner of a vessel to delay placing a mortgage on the vessel until some time after the vessel has been delivered by the shipbuilder, without losing privilege of having the mortgage insured by the Secretary of Commerce. The purpose of the new section is to permit the prospective owner to save interest, and to reduce the period of time dur-

ing which the Secretary of Commerce is under risk with respect to the mortgage.

Also S. 1457 (Magnuson and Engle), to the Committee on Interstate and Foreign Commerce, introduced in Senate March 18; and H. R. 5919 (Bonner), to the Committee on Merchant Marine and Fisheries, introduced in House March 23. Similar to S. 1434 and bills previously introduced which provide amendments with respect to ship mortgage insurance under title XI of the Merchant Marine Act, 1936, as amended.

The Merchant Marine Subcommittee of the Senate Committee on Interstate and Foreign Commerce on March 24 conducted hearings on S. 1434 and S. 1457, to amend the Merchant Marine Act with respect to insurance of ship mortgages.

SMALL BUSINESS AID FOR FIRMS AFFECTED BY FOREIGN TRADE POLICY: S. 1609 (Javits), a bill to provide assistance to small business concerns to facilitate adjustments made necessary by the foreign trade policy of the United States, and for other purposes; to the Committee on Banking and Currency; introduced in Senate April 8. The bill would enable businesses to obtain loans from the Small Business Administration, permit them to pool their resources, and make them eligible for rapid amortization of certain investments, in order to help them meet foreign competition and to assist them in converting to new lines of enterprise. The bill would also assist unemployed workers from such businesses through retraining and reemployment aid and, where necessary, by helping them to relocate to areas where job opportunities are available.

TRADE AGREEMENTS EXTENSION ACT: H. R. 5894 (Simpson of Pennsylvania), a bill to clarify the application of section 7(c) of the Trade Agreements Extension Act of 1951; to the Committee on Ways and Means; introduced in House March 20. Provides amendments to clarify and strengthen the escape clause in the Trade Agreements Extension Act of 1951, as amended. The bill would permit the President to reject the recommendations of the Tariff Commission or to put them into effect in whole or in part, or to take other action aimed at the remedying of the injury found to exist. Would also permit the establishment of a firm date for the termination of escape clause cases so the Tariff Commission could entertain a new application. Congress would be able to participate in escape clause decisions pursuant to the amendment in the 1958 extension legislation which gave to the Congress authority to apply the Tariff Commission recommendations if it could do so by a two-thirds majority. Similar to H. R. 670 previously introduced.

TRADE AGREEMENTS ADJUSTMENT ACT OF 1959: H. R. 5445 (Stratton), a bill to regulate the foreign commerce of the United States by amending section 350 of the Tariff Act of 1930, as amended, and for other purposes; also H. R. 5449 (Tollefson), and H. R. 5452 (Utt); all introduced in House March 9; also H. R. 5542 (Hays) introduced in House March 11; H. R. 5776 (Bray) introduced in House March 18; H. R. 5952 (Fisher) introduced in House March 23; and H. R. 6102 (Henderson) introduced in House March 26; all to the Committee

on Ways and Means. Similar to H. R. 4846 and related bills previously introduced which provide means for meeting import competition.

UNEMPLOYMENT RELIEF IN DEPRESSED AREAS: H. R. 5381 (Blatnik), a bill to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically depressed areas; introduced in House March 9; also H. R. 5634 (Staggers) introduced in House March 12; H. R. 6267 (Slack) introduced in House April 10; and H. R. 6347 (Bailey) introduced in House April 14; all to the Committee on Banking and Currency. Similar to H. R. 71 and other bills previously introduced which provide for economic assistance and unemployment relief to depressed areas.

The Senate Committee on Banking and Currency on March 11 ordered favorably reported with amendments S. 722, to establish an effective program to alleviate conditions of unemployment and underemployment in certain economically depressed areas.

Subcommittee No. 3 of the House Committee on Banking and Currency scheduled March 17-20 for continuation of hearings on H. R. 3505, Area Redevelopment Act.

The Senate Committee on Banking and Currency on March 18 favorably reported S. 722, with amendments (S. Rept. 110), to establish an effective program to alleviate conditions of unemployment and underemployment in certain economically depressed areas.

The Senate on March 23, by a vote of 49 to 46 passed with amendments S. 722, to establish an effective program to alleviate conditions of unemployment and underemployment in certain economically depressed areas, after adopting all committee amendments en bloc and certain technical amendments.

The Area Redevelopment Bill, S. 722, an Act to establish an effective program to alleviate conditions of substantial and persistent unemployment

and underemployment in certain economically depressed areas; received in House March 24; referred to the Committee on Banking and Currency.

Senate Report No. 110, Area Redevelopment Act (March 18, 1959, 86th Congress, 1st Session, Report of the Senate Committee on Banking and Currency together with minority and individual views to accompany S. 722), 60 pp., printed. The report contains the purpose and major provisions of the bill; lists labor market areas which may be affected; legislative background; Federal, State, and local responsibilities; causes of unemployment and underemployment; proposed administration; loans, grants, technical assistance, and vocational training provisions; technical amendments; and sectional analysis. The appendix contains a tabulation of labor force in areas of substantial labor surplus; individual views; changes in existing law; and includes a map of the United States showing by State the labor market areas which may qualify for assistance.

WAGES: H. R. 5792 (Halpern), a bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in activities affecting commerce, to increase the minimum wage under the act to \$1.25 an hour, and for other purposes; introduced in House March 18; also H. R. 5842 (Byrne of Pennsylvania) introduced in House March 19; and H. R. 6103 (Holtzman) introduced in House March 26; all to the Committee on Education and Labor. Similar to H. R. 188 and bills previously introduced which provide for an increase in the minimum wage rate and for other purposes.

Also H. R. 5868 (Barrett, a bill to amend the Fair Labor Standards Act of 1938 so as to increase the minimum hourly wage from \$1.00 to \$1.50; introduced in House March 19; H. R. 6069 (Smith of Iowa) introduced in House March 25; H. R. 6124 (Fogarty) introduced in House April 7; H. R. 6239 (Dingell) introduced in House April 10; and H. R. 6364 (Flood) introduced in House April 14; all to the Committee on Education and Labor. Similar to H. R. 83 and other bills previously introduced which provide solely for an increase in the minimum hourly wage rate.

